Scott. II-37—100,000—22-5-42.

Development (1948.) Department.

Ms. SERIES.

G.O. No. 1252

Dated 13-5-48

[Despatch Abstract.]

Acts and Rules - Indian Tea Control Act, 1938 - Continuance beyond 31-3-48 - Previous consent of His Excellency the Governor under section 106(1) of the Government of India Act, 1935 - Papers Recorded.

No.U/o 540-Tr(D)/48
Government of India.
Ministry of Commerce.

NEW DELHI, the 21st February 1948.

From

he Secretary to the Government of India,
Ministry of Commerce.

To

The Secretary, Government of Madras,
Development Department, Madras.

EXPRESS TELEGRAM.

Renewal of International Tea Agreement 1938 which expires on 31st March 1948. Producers of Ceylon, Netherlands East Indies and India with concurrence of respective Governments have agreed to enter into an interim agreement on basis of main recommendations of Calcutta conference (copy of proceedings sent to you separately) namely (a) exports to be regulated at 125 per cent of standard exports (b) new plantings to be allowed upto 2 percent per annum of admissible acreage on 31st March 1948 and (c) replacements of worn out areas to be premitted on new lands upto 5 percent per annum on above acreage. Interim agreement proposed to be for two years from 1st April 1948 or till replaced by regular agreement under aegis of International Trade Organisation whichever is shorter. ~~Government~~ Government of India agree with these proposals and propose to undertake legislation as in current budget session to implement provisions of new agreement when completed.

2. It is requested previous consent of Governor to legislation by Centre in matter of control of tea cultivation as required by sub-section 1 of section 106 of Government of India Act 1935 may be accorded. Grateful if Governor(consent can be communicated before 1st March next.

copy by po

Sd. (SRINIVASAN)
Under Secretary to the Government
of India.

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No.201(1)TR.
Government of India.
Ministry of Commerce.

New Delhi, the 3rd March 1948.

Fr ne Secretary to the Government,
Ministry of Commerce.

To

Development Department
overnment of Madras.

E X P R E S S T E L E G R A M

his Ministry Express Telegram 540-Tr, dated twentyfirst February. Legislation to regulate tea cultivation for implementing proposed International Tea Agreement. Necessary to introduce bill by tenth March. Request Governor's consent be communicated to reach us by fifth March.

P.T.O.)

fifth March latest.

Copy by post.

(Sd. K.Srinivasan),
Under Secretary to the Government
of India.

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Development Department.

ACTS AND RULES : INDIAN TEA CONTROL ACT, 1938 : CONTINUANCE BEYOND 31-3-48 : PROPOSALS OF THE GOVERNMENT OF INDIA.

From the Government of India, Ministry of Commerce
Telegram No.U/o 540-Tr (d)/48, dated 21-2-48.

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To-A.S.

Please see the telegram from the Government of India on page 1 c.f. In 1933, the Tea Control Scheme came into existence with the signing of a five year International Tea Agreement between the tea producers of India, Ceylon and the Netherlands East Indies. It was continued for a further period of five years from 1-4-38. At the end of the second period of control it was decided that the scheme should be further continued for the duration of hostilities and for two clear quota years thereafter. The tea control scheme expired by 31-3-48. In their telegram at page 1 c.f. the Government of India state that the producers of Ceylon, Netherland East Indies and India, with the concurrence of their respective Governments have agreed to enter into an interim agreement on the basis of the following recommendations made at the conference of representatives of tea interests and various Government concerned held at Calcutta recently:-

(i) that exports should be reuglated at 1125% of standard exports and

(ii) that new planting should be allowed upto 2% per annum of admissable acreage on 31-3-48 and

(iii) that replacements of worn out areas should be permitted on new lands upto 5% per annum on above acreage.

It is proposed to continue the interim agreement foa period of two years from 1st April 1948 or till it is replaced by a regular agreement under the aegis of international trade organisation whichever is earlier. Ther Government of India state that they agree with these proposals and that they propose to under-take legislation in the current budget session of the central Legislature to implement the provision of the new agreement when it is completed. They request this Government to obtain the previous consent of the His Excellency the Governor to central Legislation in the matter of control of tea cultivation as required under section (1) of sub-section 2 106 of the Government of India Act, 1935. They have requested that a reply may be sent to them before the 1st March 1948.

2. Sections 26 to 29 of the Indian Tea Control Act, 1938 deal with the restriction placed on tea cultivation. In this connection, attention is invited to the remarks offered by the Board and the Director of Agriculture recently on the subject on another occasion at page 7-10 c.f. The Director of Agriculture reported that there was considerable weight of opinion that the time had come when new planting at least to a reasonable extent should be allowed in view of the expanding markets for tea. The Board of Revenue, while supporting the proposal of the Director of ~~Agriculture~~ Agriculture considered that, from 1-4-48, there need be no restriction in India on the cultivation of tea until suchtime some control is found necessary by actual experience

The Government of India were informed accordingly in this

(Cont.

~~this~~ Department letter No.49503 DII/47-4 dated

3. Submitted that, as the Government of India request for a reply before the 1st March 48, it does not appear necessary to consult the Board and the Director of Agriculture again. India have stated that new planting will be allowed upto 2 % per annum of admissable acreage on 31-3-48 as recommended by the conference held at Calcutta. Though no official representative of this Government attended the Conference, some of the South India Planters attended XXXX